

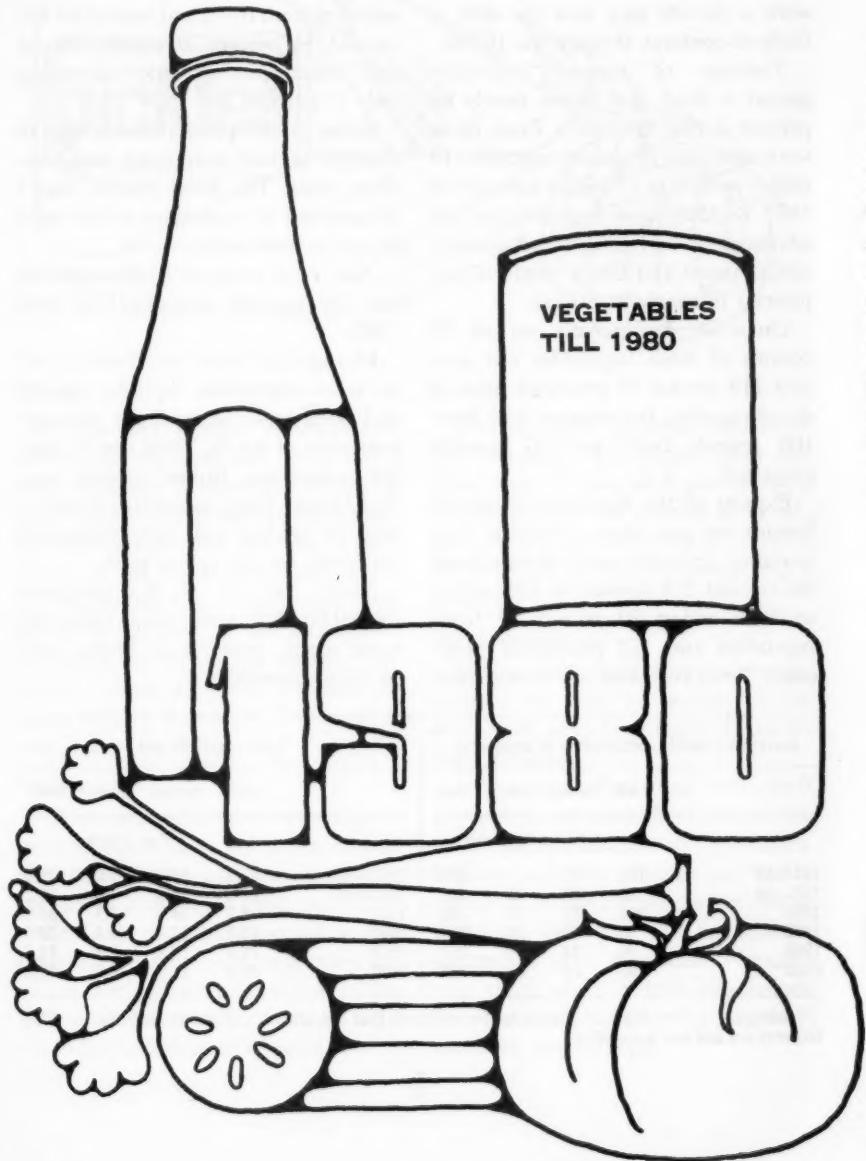
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DEC 7 1970

agricultural SITUATION

the crop reporters magazine

U.S. Department of Agriculture Statistical Reporting Service December 1970.



We live in a hurry. Our meals show it. Breakfast from a box. Lunch at a snack bar or out of a machine. Dinner defrosted.

Lengthy meal preparation time is out of style now that more wives than ever work. And the vegetables that nourish a Nation on the move are more often frozen or canned than they were a decade ago, and the shift is likely to continue through the 1970's.

Tonnage of canned vegetables gained a third and frozen nearly 60 percent during the 1960's. Fresh items were outselling processed vegetables 19 billion pounds to 17 billion annually in 1960. By 1969, fresh vegetable use had advanced to only 19.6 billion pounds, while canned and frozen products had jumped to nearly 23 billion.

On a per capita basis, we ate 98 pounds of fresh vegetables last year plus 114 pounds of processed ones. A decade earlier, the average had been 106 pounds fresh and 97 pounds processed.

Experts of the Economic Research Service say per capita vegetable consumption probably won't change from the current 212 pounds by 1980 when we'll be eating 90 pounds of fresh vegetables and 122 pounds of processed. Total vegetable use should keep

pace with the population and move from the 42.3 billion pounds of 1969 to 49.3 billion by 1980.

Our living style and a willingness to pay for convenience and the measured portions that limit waste carry quite an impact on the changing taste for vegetables. Also, between 1957-59 and the first quarter of 1970, the index of prices of fresh fruits and vegetables advanced 44 percent at retail. Canned and frozen product prices went up only 17 percent.

Some of the price rise was due to changes in unit marketing and handling costs. The fresh market hasn't streamlined its operations to the same degree as processors.

Also, farm prices of fresh vegetables rose 38 percent between 1960 and 1969.

Changes in tastes have taken a toll on some vegetables. Squash, turnips, and beets make increasingly rare appearances at meals. Total use of spinach, asparagus, Brussel sprouts, and lima beans—fresh, canned, or frozen—may be holding but these vegetables are losing on per capita sales.

Ninety percent of the processed vegetables last year were tomatoes, sweet corn, peas, snap beans, and pickling cucumbers.

Average per capita consumption of vegetables

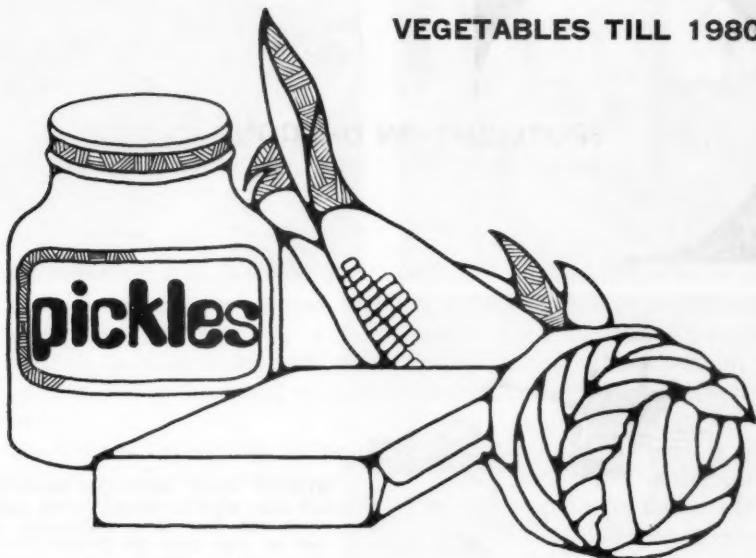
	Fresh	Canned	Frozen ²	Total
	Pound, fresh weight basis			
1947-49 ¹	121	72	7	200
1957-59 ¹	104	81	15	200
1960	106	82	15	203
1965	98	85	18	201
1969	98	94	20	212
1980 ²	90	96	26	212

Total vegetable use

	Fresh	Canned	Frozen ²	Total ⁴
	Billion pounds			
1947-49 ¹	17.5	10.5	1.0	29.0
1957-59 ¹	17.8	13.9	2.5	34.2
1960	18.9	14.5	2.7	36.0
1965	18.9	16.3	3.3	38.5
1969	19.6	18.9	3.9	42.3
1980 ³	20.9	22.4	6.0	49.2

¹ Average. ² Projected. ³ Excludes frozen french fries and other frozen potato products. ⁴ Totals may not add due to rounding.

VEGETABLES TILL 1980



Tomatoes

Of the 212 pounds of vegetables Americans averaged last year, processed tomatoes accounted for almost 52 pounds. This represented more than half the canned uses and nearly one-fourth of all vegetable consumption. The taste buds of the young have been largely responsible for the increase in processed tomatoes. The catsup that seasons french fries, and the paste on pizza, helped boost use 2 percent a year during the '60's.

Corn

We're eating more corn these days—most of it from cans. Per capita canned corn consumption advanced from 13.2 pounds to 15 between 1960 and 1969, while fresh dropped from 8.5 to 7.6 pounds. Frozen corn was the big gainer. Per capita consumption in the U.S. more than doubled—going from 2.5 to 5.3 pounds in those years.

Cucumbers

The cucumber is doing well fresh and processed. Per capita fresh use about held its own at 3 pounds over the past decade. As a pickle or in relishes cucumbers experienced a hefty rise from 3.8 pounds per person to 5.5 pounds.

Salad Vegetables

During 1969, 8 salad vegetables accounted for over 75 pounds of the average 98 pounds of fresh vegetables eaten nationally.

Lettuce and other salad items, such as peppers, and cucumbers, bucked the trend away from fresh vegetables. Lettuce, including escarole, per capita consumption grew from 20 pounds to 22.2 from 1960 to 1968. Our appetite for carrots held at around 7 pounds over those years. Salads also helped buoy up declining fresh use of celery, tomatoes, and cabbage.

SPOTLIGHT ON OREGON



WESTERN WHEAT SAGA—Left: Harvesting soft white wheat in Oregon. Facing page: Wheat from three States is channeled by train or barge down the Columbia River. Statistician Leonard Orvold watches a freighter waiting on the Columbia at Portland to take wheat to Japan.

"The wheat industry of the Northwest knows how to work and invest together for a good statistical program," says Statistician Leonard W. Orvold, in charge of the Oregon Crop Reporting Service in Portland.

The Northwest Wheat Statistical Project, coordinated by Orvold and his staff, has been faithfully and financially supported for 23 years by wheat growers of the region. The Project presents a comprehensive quarterly summary of the soft white winter wheat crop.

The summary is published in January, April, July, and October by the Crop Reporting Services of Oregon, Washington, and Idaho. It has the backing as well of the Wheat Commissions of these States, the Washington State Department of Agriculture, and the Northwest Grain Exporters Association.

The summary alerts the Northwest wheat industry to supplies of wheat, both on and off farms, wheat in transit, feed use, and price developments during the preceding quarter.

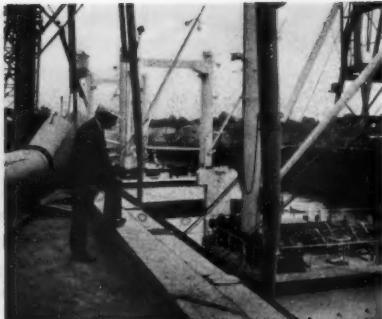
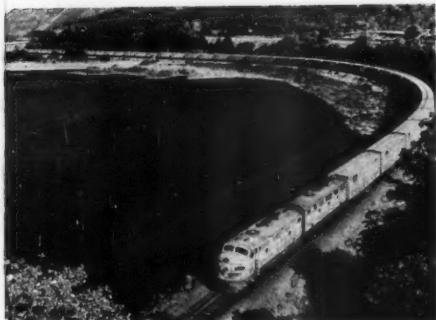
These facts are used primarily to promote exports of white wheat.

Most Northwestern winter wheat is the soft white type, lower in protein than hard reds. It's used extensively in noodles, pastas, and pastry flour, and to a lesser extent, in livestock feed.

Most of the 161 million bushels of winter wheat forecast for harvest in Washington, Oregon, and Idaho this year will be white wheat. California, Michigan, and New York will add a little to this production figure.

The export success of white wheat began as World War II ended.

In 1947, the Oregon Wheat Com-



mission was formed by growers to promote sales.

In 1948, the Commission took two steps that led to successful export markets.

The first was the opening of a promotion office in Japan, to educate consumers about American flour and bakery products.

Eventually, Wheat Commissions from Washington and Idaho joined in, and similar offices were opened throughout Asia.

Markets have grown well in developing Nations such as Japan and the Philippines where a flour milling industry is being built. Today, government programs and commercial exports use three-fourths of the U.S. white wheat crop.

The second important move by the Oregon Wheat Commission back in 1948 was a search for accurate information on white wheat available for export.

"Realization came early," Orvold states, "that good information was needed about both Oregon and the entire Northwest."

That year, the Commission and the Oregon Crop Reporting Service helped form the Northwest Wheat Statistical Project.

Another point showing the effective-

ness of the program is the limited white wheat carryover. On July 1 this year, carryover in the Northwest was only 12 percent of total supplies. Carryover of all wheat, in the United States was over a third of supplies.

Orvold's office in Portland is located at the heart of the Northwest wheat industry. Wheat for export is channelled from Montana, North Dakota and the Northwest to the export terminals of the Columbia River ports. Portland is the second largest wheat shipping point in the country.

In coordinating the quarterly white wheat summary, Orvold and his staff work with the Washington and Idaho Crop Reporting Services to contact every segment of the wheat industry.

Wheat producers cooperate in production estimates. The Northwest Crop Improvement Association adds results of a variety survey. Railroads volunteer information on shipments coming from other parts of the Northwest, while grain inspectors provide data on wheat readied for export. Information on end uses comes from feed manufacturers and millers. Farmers and elevator operators indicate the size of storage stocks.

Together, these sources provide the facts that enable growers to sell their wheat abroad.

To give our readers a clearer picture of U.S. farming in all its modern diversity, Agricultural Situation presents the last in a series of farm photo-essays. These farms have been selected by USDA farm management specialists as typical of good commercial farm businesses in various production areas.

They are not average farms . . . they are definitely above average. But they are not showplaces either. They represent the modern farm businesses that can be readily found in their production areas, and which produce the bulk of America's farm products today.

PORTRAIT OF A FARM

It's a typical farm in the dairy belt that extends across the United States from western New York and Pennsylvania, across northern Ohio, Michigan, Wisconsin, and Minnesota. The big white frame house is surrounded by a grove of tall maple trees, flanked by the big barn and outbuildings. Towering over all is the silo that stores winter feed for the cattle.

Vincent Endres has 156 crop acres, on which he produces feed and forage for his 40 milk cows. The acreage and the cow numbers are about average for the area near Madison, Wis.

Endres' buildings and machinery are

also much like his neighbors'.

What is *not* average is Endres' management. He gets substantially more production from both his fields and his cows than the average Wisconsin dairyman.

Endres gets nearly 16,000 pounds of milk from each of his cows (State average is about 10,000). His corn fields have averaged 160 bushels per acre (State record average is 93 bushels).

Endres harvests 260 tons of corn silage from 13 acres. Most of it goes into a new silo he built in 1960.

Endres and his family provide all





Everybody works on a dairy farm. Vincent Endres carries milk to his transfer unit; Mrs. Endres washes out a milking machine; Vernon and Richard feed silage to the cows.



of the farm's labor—except at harvest time when Endres trades labor with his brother-in-law so both can get their crops in faster. It frequently means a 12-hour work day.

Endres also plants 63 acres to corn for grain, harvests some 10,000 bushels. Most of this is fed to his own cattle; the remainder is fed to hogs. Most of the rest of Endres' land is in hay and pasture.

Endres' cows are Holsteins—the most popular dairy breed in the United States because of the large volume of milk they produce. Endres has increased his herd from 34 cows in 1959, is feeding more corn. Milk production has increased nearly 5,000 pounds per cow.

Endres has three milking machines; attaching them and emptying them keeps him busy. Here the milk is

poured into the "transfer unit" which is connected by vacuum pipeline to the bulk storage tank in the milkhouse. Milking and feeding the herd takes 3 to 4 hours of Endres' day, even when his sons (9 and 11) help. The boys put in about 25 hours per week apiece and Mrs. Endres cleans the milking equipment.

Six years ago, Endres added 30 feet to the length of his barn, installed new and larger stanchions to keep his cows more comfortable, and a barn cleaner to cut down labor. He added a new free-stall shed for heifers this year.

Endres began renting his farm from his father-in-law in 1953, when he had a net worth of \$4,000. He purchased the farm in 1962, now owns it free and clear with a current valuation of about \$150,000. His net farm income is over \$20,000 per year.

FREEZE BRANDING

Cattlemen pay high prices for treating animal infections and parasite infestations that are the frequent result of fire branding.

Isn't there a better way, a cheaper way to mark an animal?

Up through the mid-1960's, the answer was no. Acid and caustic brands are sometimes used in place of fire brands, but they have many of the same plus some added disadvantages. And ear tags, neck straps, tail tags, and so forth are not permanent marks.

However, 1965 saw a significant breakthrough in branding when USDA's Dr. Keith Farrell, D.V.M., at Pullman, Washington, released information about freeze branding.

Freeze branding works in much the same way as fire branding—except that a super-cold iron is used in place of a super-hot one. The cold kills the pigment producing cells that color an animal's hair follicle, making the hair grow back white. If white cattle or spotted dairy breeds are being branded, the cold iron is left on long enough to make a bare skin brand (where the hair follicles are completely destroyed).

It's obvious from watching animals being freeze branded that there's a lot less pain than with fire branding.

Most animals will struggle for a few seconds after the cold iron is applied, and most will lick at the brand site as the skin begins to thaw. But there are none of the open wounds that come from hot irons—and consequently, much less chance of infection.

Hide damage is also kept to a minimum with the cold irons. Freeze brand scars, as a rule, are much more supple

and smooth to the touch than fire brand marks. Some experiments have revealed no hide blemishes with freeze brands, except at longer time exposures.

Can you see a freeze brand easily?

According to the experts, a 4-inch brand can be recognized and interpreted with ease up to 35–40 yards. Bare brands may not be as distinguishable if the hair coat is long.

Of course, freeze branding is fairly new—and not all the kinks have been worked out yet.

A lot of effort is still going into determining the right times and temperatures for consistently good results on all ages of animals at all brand sites in all seasons. Recent work by N. W. Hooven, Jr., at the Animal Science Research Division, Beltsville, Md., has shown that time exposures need to be varied by age, type coolant, and breed of animal (beef or dairy).

Some cattlemen are also loathe to shift to freeze branding because they don't feel the cold irons leave adequate proof of ownership.

Dye or dirt may be used to eliminate or cover up a freeze brand on stolen cattle since freeze branding leaves little or no evidence on the flesh side of the hide.

However, Dr. Farrell recently reported that freeze brands can be recognized from the flesh side of the hide with transmitted light from a bright source on the hair side.

The acceptance of bare freeze brands, in which the hair follicles are completely destroyed, may also solve the ownership identification problems.

HOW TO FREEZE BRAND

If you're thinking of shifting to freeze brands for all or part of your herd, here's how to proceed:

Equipment and materials:

- Coolant—**EITHER**
 - A. Dry ice in either 95% ethyl, isopropyl alcohol or acetone, **OR**
 - B. Liquid nitrogen.
 - Insulated container for coolant.
 - Set of copper or high quality bronze alloy branding irons, with sufficient mass and facing. Four inch irons are recommended for yearlings and older cattle; 3-inch irons for cattle 6-12 months of age; 2-inch irons for calves up to 6 months. The irons should have a rounded face.
 - Goggles and gloves for handling liquid nitrogen or dry ice.
 - Cattle clippers, grooming brush.
 - Squeeze bottle of room temperature alcohol.
 - Chute or other means of restraining the animal.

Ten step procedure:

1. If you use *dry ice*, add chipped ice to the coolant solution. There should be enough coolant to completely cover the irons. As long as there is ice present in the solution, the correct temperature will be maintained. With *liquid nitrogen*, use a shipping container or place it in an insulated container with an open top just large enough to accommodate the irons.
2. When you place warm irons in either solution, vigorous boiling will occur and continue until the temperature of the iron and the coolant are the same. When boiling stops, the irons are ready to use.
3. Restrain animal.

4. Clip hair as close to the skin as possible.

5. Brush off loose hair, dirt, and dandruff.

6. Soak area to be branded with alcohol before each digit is applied.

7. Select flat, well muscled surface. Apply adequate pressure to assure good contact.

8. Select the following time exposures based on age:

	Seconds	
	Dairy	Beef
Birth—1 month.....	10	15
2-3 months.....	15	20
4-8 months.....	20	25
9-18 months.....	25	30
Over 18 months.....	30	35

9. If you use liquid nitrogen, cut above time exposures by half.

10. Allow an extra 10-15 seconds of exposure on white animals to get a "bald" brand.

After-effects:

Skin is frozen and indented in form of the brand applied.

Skin thaws out in 2-3 minutes.

The branded area begins to redden and edema develops. Edema will persist for 1 to 2 days, depending on exposure time.

When the reddening and edema disappear, the area will appear dry and scruffy.

A scab will form and last 3-4 weeks. When the scab sloughs off, varying amounts of hair and skin are lost.

White hair will begin to appear 6 to 10 weeks later, depending on the stage of the natural hair growth cycle when the brand was applied.

AWAY FROM HOME EATING

When Americans buy a meal away from home, they're most likely having lunch and least likely having breakfast. That's one of the facts that a USDA survey of America's away-from-home eating habits found out.

About 13 percent of our meals and 18 percent of our snacks are eaten in restaurants, other people's homes, at schools, and in a variety of other places. Away-from-home eating represents about 16 percent of our total food consumption.

Only 7 percent of the morning meals are eaten out, compared with 23 percent at noon and 10 percent in the evening. Foods which dominate the breakfast menu—eggs, cereals, and citrus fruits and juices—were bought least often away from home.

Biggest away-from-home edibles were snacks: candy, soft drinks, and alcoholic beverages. Hamburgers, ice cream, and sweet baked goods—popular both as snacks and for lunch were also high scoring on the food list.

AFFLUENT EATING HABITS

It's anybody's guess what foods families of the future will favor. But there are some important clues in the present-day eating habits of affluent Americans.

As incomes rise, more and more U.S. families can be expected to join the ranks of those earning \$10,000 or more after taxes each year. And our national food consumption patterns are likely to reflect this change.

For example, there'll undoubtedly be a big boost in the total value of the

Nation's food sales. According to a USDA study of household food consumption patterns in 1965, families in the \$10,000-plus bracket represented only 12 percent of the Nation's total but accounted for 18 percent of the country's food spending. In other words, the affluent spend more than average on foods, in general, and a lot more than average on certain foods, in particular.

Beef seems to be a special favorite, judging from the findings of a University of Minnesota study conducted in Minneapolis-St. Paul. In this metropolitan area, beef accounted for almost half of these families' total dollar outlay for meat, poultry, and fish. Pork represented about a fourth.

Certain dairy products, particularly manufactured items such as cheese and frozen desserts, also enjoyed larger sales among families with larger incomes. But fluid whole milk purchases were affected only slightly by higher levels of income. Among these upper income families the key factor in purchases of these products appeared to be the size of the family.

Other foods that tended to get a bigger-than-average share of affluent families' food budgets were fresh fruits and vegetables and convenience foods of all sorts.

The Minneapolis-St. Paul study also shed some light on social psychological factors that come into play as families move up the economic ladder—out of the middle income bracket and into the upper income range.

Some housewives, the researchers termed them "reputation strivers" on the basis of their answers to a questionnaire, spent far more than would be expected on food. In general, they al-

located a high proportion of their food budget to red meats, prepared dishes, and beverages but spent less than average on dairy products, fats and oils, and cereal and bakery products.

Economy-minded housewives, those who earned the title from their responses to the questionnaire, spent a larger share of their food budget on dairy products other than butter, but smaller shares on red meats and processed vegetables.



NONWOVEN FIBERS

Our "throwaway" society has some new disposables: paper dresses, graduation caps and gowns, bed sheets, and medical items.

These new products, finding acceptance because of their "use once, toss out" advantage are made of nonwoven fibers.

Industry spokesmen are optimistic enough to consider a 12 percent annual growth rate in production to be conservative for the nonwoven future.

Nonwovens had their start during the 1930's when cotton textile mills tried to raise the value of waste fiber by marketing a mat of cotton fibers bonded with starch. The process bypasses spinning, knitting, weaving, and other more expensive steps in the mak-

ing of cloth. Nonwovens are used in felts, padding, and fabrics.

Only a few thousand pounds of the fabrics were produced annually by the end of World War II. By the mid-1950's production passed 50 million pounds, attaining 100 million pounds by 1960. In 1969, estimated production stood at almost 230 million pounds.

Cotton was used exclusively in early nonwovens, but rayon soon appeared and became quite popular. In the mid-1950's manmade fibers began to compete more extensively. They captured increasing shares of the market. By 1969, cotton comprised less than 10 percent of the fibers used in nonwoven fabrics, while rayon held about 40 percent.

The nonwoven fabric market will grow rapidly if some of the markets the industry woos shift largely to nonwovens.

Consider the paper dress. Not every woman will wear one. But if 1 percent used paper dresses several times a week, it would create a market for 86 million pounds of nonwoven fabrics per year. Right now, stationery stores report that Christmas and party paper dresses sell best.

The traditional rented cap and gown may give way increasingly to a throwaway set available at about \$5.

Some potentially large markets are hospitals, hotels, and motels. Disposable sheets, pillow cases, bath towels, examination gowns, and draw sheets seem to be the greatest outlet for nonwovens at the moment. It's estimated that a 1 percent penetration of the hospital market would mean 550 million pounds of nonwoven fabric a year—that's well over twice as much as was produced in 1969.

3 outlook

Digested from outlook reports of the Economic Research Service.
Forecasts based on information available through November 1, 1970

HOG SLAUGHTER in the first half of 1971 will continue well above year earlier levels and prices will remain well below a year earlier. The number of hogs on Corn Belt farms on September 1 that will reach market weight during the winter was up 15%.

SPRING PIGS . . . Hog producers in 10 Corn Belt States have indicated that they plan to have 6% more sows farrow during December 1970–February 1971 than in those months a year earlier. The intentions reflect the momentum of increasing production that began in early 1970, following high hog prices and favorable hog-feed price ratios. However, with the deterioration in the hog-corn price ratio, a substantial moderation in the ongoing expansion is likely.

FED CATTLE . . . Fall placements of fed cattle are expected to continue large, and marketings during the first half of 1971 will probably continue moderately above year earlier levels. In this event, fed cattle prices likely would remain near fall 1970 levels. On October 1 cattle and calves on feed in the 22 major producing States totaled almost 10.4 million, up 3% from a year earlier.

COMPETITION . . . Because of large supplies, pork will continue to compete strongly with beef for table space for the next 6 to 9 months. However, strong consumer demand for meat will be a supporting factor in the beef market.

SHEEP AND LAMBS . . . Commercial sheep and lamb slaughter totaled 7.0 million head during the first 8 months of the year, down only 2% from year earlier figures. But heavier slaughter weights—animals averaged almost 1% above year earlier levels—offset the decline in numbers, keeping lamb and mutton production about the same as in 1969. Favorable range conditions in the Mountain States had a lot to do with the higher weights.

WOOL . . . Fleece weights are running a little heavier than last year but shorn sheep numbers are off 3%. Production is expected to total 162 million pounds, down 2% from 1969.

CIGARETTE OUTPUT this year will likely total 567 billion, 2% above last year.

CIGARETTE CONSUMPTION for each person 18 and over is estimated at 3,960 cigarettes, 1% below 1969. That slight decline means about 198 packs per person against the 200 of a year earlier. Even though retail prices have risen, and health-smoking publicity continues, there are more people of smoking age than a year earlier, and consumer spending remains large. These ingredients have kept total cigarette consumption for the Nation near the level of 1969, some 268 billion.

CIGARS . . . U.S. smokers are expected to light up 8.3 billion cigars during 1970, up 4% from a year before. That averages out to an estimated 128 cigars and cigarillos per male 18 years and up. That's a 2½% gain in per capita consumption.

SOYBEANS . . . Reduced soybean supplies during 1970/71 and continued strong demand are expected to hold farmers' prices well above the CCC support rate, \$2.25 per bushel (No. 1 grade) and also above last season's average cash price, \$2.35. Supplies for the current marketing year are estimated at around 1,364 million bushels, about 5% less than in 1969/70. This is the first time total supplies have declined since 1963.

SOYBEAN EXPORTS . . . During the 1970/71 marketing year, soybean exports are expected to rise moderately from last year's record high, 429 million bushels. Rising living standards and expanding livestock and poultry industries in Japan and Western Europe will likely expand world demand for soybean meal as mixed feeds. Also, vegetable oil demand has been rising in Japan.

LARD PRODUCTION is estimated at almost 2 billion pounds, a tenth above last year for the marketing year starting October 1. Domestic use is expected to rise above 1.4 billion pounds. Lard yield per hog averages about 22 pounds—down over a quarter from a decade ago.

COTTONSEED . . . Total 1970/71 cottonseed supplies are estimated near 4.6 million tons—about 5% above a year earlier. This season's crush may reach 4.2 million tons, compared with last season's 3.9. Production from this size crush would likely yield about 1.4 billion pounds of oil and 2.0 million pounds of cake and meal.

RICE . . . The rice supply for 1970/71 is below only the record high levels of the past 2 years. A smaller acreage allotment in 1970 reduced the crop about 6 million hundredweight. However, August 1970's carryover continued at the previous year's high level, 16 million hundredweight. With the smaller supply in view, an increase in August 1971's carryover is unlikely.

STATISTICAL BAROMETER

Item	1957-59 average	1969	1970—latest data available	
Farm output, total	100	121	121	October
Crops	100	118	118	October
Livestock	100	121	124	October
Prices received by farmers	100	114	116	September
Prices paid by farmers, interest, taxes, wage rates	100	127	134	September
Parity ratio (1910-14=100)	—	74	72	September
Consumer price index, all items	100	128	136.6	September
Food	100	126	133.3	September
Disposable personal income (\$ bil.)	321.5	629.7	683.6	(*)
Expenditures for food (\$ bil.)	66.3	103.6	113.0	(*)
Share of income spent for food (percent)	20.6	16.5	16.5	(*)
Farm food market basket: ¹				
Retail cost (\$)	983	1,173	1,231	September
Farm value (\$)	388	477	472	September
Farmers' share of retail cost, percent	39	41	38	September
Realized gross farm income (\$ bil.)	36.5	54.6	56.2	(*)
Agricultural exports (\$ bil.)	4.2	² 6.6	0.6	September
Agricultural imports (\$ bil.)	3.9	² 5.5	0.5	September

¹ Average quantities per family and single person household bought by wage and clerical workers 1960-61 based on Bureau of Labor Statistics figures.

² July 1, 1969-June 30, 1970.

³ Annual rate, seasonally adjusted, second quarter.

LAND PRICES

Tighter credit contributed to slower gains in farmland prices last year.

In the last decade, the average cost of an acre of farmland rose about 6% a year, upping the cost of buying or expanding farms, but enhancing the value of farm property.

However, the increase in land values in 1970 has been more moderate.

Each March and November, USDA surveys about 7,000 farm realtors and country bankers. Between the March 1969 and March 1970 surveys, the average value of an acre sold rose 4%.

Land markets were slow, especially in the Midwest and West. Realtors blamed tight credit and uncertainty about future farm programs. Market values stagnated in the Corn Belt, in California, and in other States in the southern half of the West.

Prices actually declined in Kansas, Illinois, Indiana, and North Carolina.

In one part of the country, the land market showed no signs of sluggishness. Business was brisk in most Atlantic seaboard States, seemingly undeterred by the credit crunch that was holding other land buyers back.

Apparently, pressure for nonfarm development, and the growing market

for recreation acreage kept prices rising.

A number of those who responded to the March survey agreed that they were entering a go-slow period for farmland in most of the country, with light trading and little price increase.

THE SIMPLE LIFE

As a farmer in the most technically advanced and complex agricultural industry in the world, you may occasionally long for a simpler life. One without bank loans, machinery investments, land contracts, and the like. Fancy the rural resident of the Somali Republic.

This nation in east Africa, about the size of California and Oregon combined, contains some localities that are on the camel standard. This four-footed currency not only pays debts, but transports the family property, and provides milk, meat, hides, hair, and fuel. Besides use in everyday debts, the Somali use camels to pay some pretty exotic costs of living: bride buying and feud settling between individuals and clans. The going price for blood feuds is 100 camels to compensate for a man's life and 50 for a woman's. The number of camels for a bride is negotiable.

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